

## Walmart's Policy on Sustainable Chemistry in Consumables

*\*\*Please note this list of Q&As is derived from ACC and CSPA research and oral conversations with Walmart. It is not an official communication from Walmart.\*\**

### 1. What is the objective/intention of Walmart's [ [HYPERLINK "http://www.walmartsustainabilityhub.com/sustainable-chemistry"](http://www.walmartsustainabilityhub.com/sustainable-chemistry) ]?

The policy includes three key elements: 1) Transparency, 2) Advancing safer formulations of products, and 3) Increasing Walmart private-brand "Safer Choice" offerings.

**Transparency:** Walmart required suppliers to disclose all product ingredients online in 2015, and beginning January 2018, suppliers must also disclose identified "priority chemicals" on pack.

**Walmart Priority Chemicals List:** Walmart selected various [ [HYPERLINK "http://www.walmartsustainabilityhub.com/sustainable-chemistry/appendices"](http://www.walmartsustainabilityhub.com/sustainable-chemistry/appendices) ] to identify its "priority chemicals list" within the scope of the policy. From among Walmart priority chemicals, Walmart identified a subset of "high priority chemicals."

**Reformulation:** When Walmart introduced its policy, it called on suppliers to "reduce, restrict and eliminate" substances of concern, initially focusing on eight "high priority" substances, and encouraged the substitution of identified "priority" chemicals.

**Expand "Safer Choice" Offerings:** Walmart will strive toward formulating and labeling its private brand products in accordance with the [ [HYPERLINK "https://www.epa.gov/saferchoice"](https://www.epa.gov/saferchoice) ] program.

### 2. What product categories are within the [ [HYPERLINK "http://www.walmartsustainabilityhub.com/sustainable-chemistry/implementation-guide/section-ii-scope-definitions"](http://www.walmartsustainabilityhub.com/sustainable-chemistry/implementation-guide/section-ii-scope-definitions) ] of Walmart's policy?

Walmart's policy covers formulated (chemical-based) consumable products sold through Walmart U.S. and Sam's Club U.S. Walmart categories include health and beauty aids, household paper, pet supplies, household chemicals, cosmetics and skincare, and infant consumable hardlines. Sam's Club categories include healthy and beauty aids, tabletop and bags, pet supplies, laundry and home care, baby case, paper goods, and janitorial supplies.

According to Walmart's website, approximately 90,000 SKUs (stock keeping units) and 700 suppliers are covered by the policy. The policy excludes active ingredients that provide therapeutic benefit(s) when present in a product approved by the [ [HYPERLINK "https://www.fda.gov/drugs/developmentapprovalprocess/howdrugsaredevelopedandapproved/approvalapplications/newdrugapplicationnda/default.htm"](https://www.fda.gov/drugs/developmentapprovalprocess/howdrugsaredevelopedandapproved/approvalapplications/newdrugapplicationnda/default.htm) ] process.

### 3. Concerning product ingredients disclosure, what are Walmart's expectations from its suppliers?

As of January 2015, Walmart's suppliers were required to provide online disclosure for all intentionally added ingredients in product formulation, as well as their related

**concentrations.** Walmart expects online public disclosure to be accessible from the supplier's website and to be displayed at the per-product level.

Beginning in January 2018, products containing Walmart identified “priority” chemicals must disclose these ingredients on pack, and in accordance with any legal requirements. Walmart does not specifically mandate that the on pack label note the relevant substance as a “Walmart priority chemical.”

**4. How can a manufacturer tell whether its product is prioritized for on pack disclosure (e.g. priority chemicals) or elimination (e.g. high priority chemicals)?**

For new and ongoing formulations, suppliers must disclose full product formulations and concentrations to [ [HYPERLINK "http://www.ulwerccsmart.com/"](http://www.ulwerccsmart.com/) ] Once a supplier enters product formulation information, the supplier must run a report to determine whether its product contains a “regulated” chemical. **WERCSmart will not automatically flag “priority chemicals” when entered into the database.** UL WERCSmart will maintain the confidentiality of suppliers' proprietary product formulations by grouping products and chemicals into combinations of aggregate data.

**5. How should suppliers implement both the online and on pack disclosure requirement?**

For online and on pack disclosure content and format, Walmart's policy does not include a prescriptive approach to implementing this requirement. Instead, Walmart advises suppliers to consult leading guidelines on public ingredient disclosure, such as those provided by the [ [HYPERLINK "https://www.epa.gov/saferchoice"](https://www.epa.gov/saferchoice) ] and [ [HYPERLINK "http://www.cspa.org/images/stories/PDF\\_Documents/Voluntary\\_IC\\_Model\\_Amended\\_2011\\_FI\\_NAL.pdf"](http://www.cspa.org/images/stories/PDF_Documents/Voluntary_IC_Model_Amended_2011_FI_NAL.pdf) ] .

**6. Do suppliers need to disclose fragrances or other trade secrets online or on pack?**

Walmart's policy does not explicitly mandate disclosure of specific ingredients in fragrances or other trade secrets online or on pack. Suppliers have the right to use a chemical-descriptive name (e.g. "fragrance") on pack and online to protect trade secrets. However, Walmart's implementation guide notes that suppliers should strive toward [ [HYPERLINK "http://www.walmartsustainabilityhub.com/sustainable-chemistry/appendices"](http://www.walmartsustainabilityhub.com/sustainable-chemistry/appendices) ] online ingredient disclosure, including ingredients typically protected under trade secrets.

**7. Is the expectation that all products for sale in Walmart on January 1, 2018 must comply with the on-pack labeling disclosure requirement?**

Walmart recognizes that full compliance with the policy will take time. Walmart expects suppliers to work toward implementing the policy and encourages suppliers to share their implementation plans to demonstrate efforts to comply with Walmart's disclosure policy.

**8. Will Walmart publish its list of “high priority” and “priority” chemicals in consumable goods?**

Walmart's list of high priority chemicals is available on its [ [HYPERLINK "http://www.walmartsustainabilityhub.com/sustainable-chemistry/implementation-guide/section-ii-scope-definitions"](http://www.walmartsustainabilityhub.com/sustainable-chemistry/implementation-guide/section-ii-scope-definitions) ]. Walmart has publicly stated that will not publish its list of priority chemicals, but it has defined a list of [ [HYPERLINK "http://www.walmartsustainabilityhub.com/sustainable-chemistry/appendices"](http://www.walmartsustainabilityhub.com/sustainable-chemistry/appendices) ] used to identify those chemicals. It is our understanding that Walmart has not created its own priority sub-list, based on regulatory action. A chemical on any of the referenced authoritative and regulatory lists will likely be designated as a Walmart priority chemical under UL WERCSmart. Suppliers are responsible for running a report in UL WERCSmart to determine if their respective products contain a priority chemical and labeling is required, or a high priority chemical, for which substitution is encouraged.

#### **9. How often will Walmart update its priority list?**

Walmart's priority chemicals list on WERCSmart will be updated in accordance with regulated/authoritative list updates.

#### **10. How will Walmart monitor progress toward implementing its policy?**

Walmart will monitor and measure suppliers' compliance with its policy through [ [HYPERLINK "http://corporate.walmart.com/global-responsibility/environment-sustainability/sustainability-index-leaders-shop"](http://corporate.walmart.com/global-responsibility/environment-sustainability/sustainability-index-leaders-shop) ] and WERCSmart. Walmart will publicly communicate aggregate progress against the policy in its [ [HYPERLINK "http://corporate.walmart.com/2016grr"](http://corporate.walmart.com/2016grr) ]

#### **11. If changes are made to the policy, how will this be communicated to suppliers?**

Walmart policies relevant to standards for suppliers are posted on Walmart's [ [HYPERLINK "http://corporate.walmart.com/policies"](http://corporate.walmart.com/policies) ]. Suppliers should check this page periodically to confirm they are aware of any new policies and changes to existing policies.

#### **12. Which division of Walmart is charged with implementing this policy?**

Walmart's chemical policy is part of a broader sustainability initiative, led by Walmart's Sustainability Department. More information can be found on [ [HYPERLINK "http://www.walmartsustainabilityhub.com/sustainable-chemistry/implementation-guide/section-ii-scope-definitions"](http://www.walmartsustainabilityhub.com/sustainable-chemistry/implementation-guide/section-ii-scope-definitions) ].

#### **13. If suppliers participate in [ [HYPERLINK "http://www.gmaonline.org/issues-policy/health-nutrition/smartlabeltm-consumer-information-transparency-initiative/"](http://www.gmaonline.org/issues-policy/health-nutrition/smartlabeltm-consumer-information-transparency-initiative/) ], would this satisfy the online disclosure requirements included in Walmart's policy?**

No, participation in the SmartLabel program will not satisfy the Walmart policy.

Outstanding Questions:

- Can Walmart provide more details about how often it expects to update its priority chemicals list? Will it be immediately following a regulatory/authoritative update? Will Walmart allow for a phase in period to comply with the updated list?
- How do Walmart's own store brands, particularly its FIFRA-regulated products, plan to comply with the policy's requirements?